

Robert M. Aronson (CA Bar No. 81487)  
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Counsel for Chapter 7 Trustee Wesley H. Avery

**UNITED STATES BANKRUPTCY COURT**  
**CENTRAL DISTRICT OF CALIFORNIA**  
**LOS ANGELES DIVISION**

In re

FRANCISCO MORAN,  
  
Debtor.

CASE NO. 2:19-bk-23289-VZ

Chapter 7

ADVERSARY NO. [To be Assigned]

WESLEY H. AVERY,  
  
Plaintiff,  
  
vs.  
  
JACOB MORAN,  
  
Defendant

**COMPLAINT FOR:**

**(1) AVOIDANCE OF FRAUDULENT  
TRANSFER UNDER 11 U.S.C. §548;  
(2) RECOVERY OF AVOIDED  
TRANSFERS UNDER 11 U.S.C. §§550 & 551;  
AND  
(3) FOR TURNOVER OF PROPERTY OF  
THE ESTATE PURSUANT TO 11 U.S.C. §  
542(A)**

**JURISDICTION**

1. The Court has jurisdiction over this adversary proceeding pursuant to 28 U.S.C. §§  
157 and 1324 in that this action arises in and relates to the bankruptcy case pending in the United  
States Bankruptcy Court for the Central District of California entitled *In Re Francisco Moran*,  
Case No. 2:19-bk-23289-VZ.

2. Plaintiff as the Chapter 7 Trustee has standing to bring this action pursuant to 11 U.S.C. § 323.

3. This adversary proceeding is a core proceeding under 28 U.S.C. §§ 157(b)(2) and 1334 and this Court has the constitutional authority to enter a final judgment on these claims. To the extent any claim for relief contained herein is determined not to be a core proceeding Plaintiff consents to the entry of final judgment and orders by the Bankruptcy Court.

4. Venue properly lies in the Central District of California in that this adversary proceeding arises in or is related to a case under Title 11 of the United States Code as provided in 28 U.S.C. §§ 1408 and 1409.

## PARTIES

5. Plaintiff Wesley H. Avery (hereafter “Plaintiff” or “Trustee”) is Chapter 7 Trustee for Francisco Moran, debtor in the above captioned case (“Debtor”).

6. Plaintiff alleges that at all relevant times Defendant Jacob Moran (“Defendant”) was and is an individual residing in the County of Los Angeles, California.

## GENERAL ALLEGATIONS

7. The Debtor obtained title to the property located at 38705 16<sup>th</sup> Street East, Palmdale, California 93550 (“Property”) by way of a Quitclaim Deed dated March 31, 2016 (“Initial Deed”). A true and correct copy of the Initial Deed is attached hereto as **“Exhibit 1”**.

8. The Debtor via a quitclaim deed dated March 1, 2019 (“Quitclaim”) transferred his interest in the Property to Defendant. A true and correct copy of the Quitclaim is attached hereto as **Exhibit “2”**.

9. The Debtor filed this Chapter 7 case on November 11, 2019 (“Petition Date”).

10. Thereafter, the Debtor testified at the 341a hearing in this case that he received no consideration for the transfer of his interest in the Property to Defendant.

11. The Trustee believes that the Property has a value of at least approximately \$215,000.00. After liens, exemption and costs of sale, equity remains for the benefit of creditors of this estate.

1 12. As a result, the Trustee on December 19, 2019, filed his Notification of Asset Case  
2 and Request for Claims Bar Date and Notice of Possible Dividends and Order Fixing Time to File  
3 Claims.

4 13. Trustee desires to market and sell the Property with the approval of this Court.  
5 The Trustee anticipates that such a sale will result in a return to creditors of this estate.

6 **FIRST CLAIM FOR RELIEF**

7 [Avoidance and Recovery of Transfers of Real Property]

8 [11 U.S.C. §548]

9 14. Plaintiff realleges the allegations at paragraphs 1 through 13 as if fully set forth  
10 herein.

11 15. The Debtor transferred his interest in the Property to Defendant within the two (2)  
12 years prior to the Petition Date.

13 16. The transfer of the Property by the Debtor was made with actual intent to hinder,  
14 delay or defraud a creditor or creditors of the Debtor.

15 17. In the alternative, the transfer of the Property by the Debtor was made without  
16 receiving a reasonably equivalent value in exchange for such transfer and (a) the Debtor was  
17 engaged in a business or a transaction for which the remaining assets of the Debtor were  
18 unreasonably small in relation to the business or transaction; or (b) the Debtor intended to incur or  
19 believed or reasonably should have believed that he would incur, debts beyond his ability to pay as  
20 they became due

21 18. The Debtor was insolvent on the dates that such transfer was made, or became  
22 insolvent as a result of such transfers.

23 19. Based on the foregoing, the transfers Defendant made by the Debtor within the past  
24 two (2) years were fraudulent transfers under 11 U.S.C. § 548.

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**SECOND CLAIM FOR RELIEF**

[For Recovery and Preservation of Avoided Transfer]

[11 U.S.C. §§ 550 & 551]

20. Plaintiff realleges the allegations at paragraphs 1 through 19 as though fully set forth herein.

21. Pursuant to 11 U.S.C. § 550 (a), any transfers avoided under Section 548 of the Bankruptcy Code are recoverable by a trustee from the initial transferee. The Defendant is the initial transferee of the Property.

22. Based on the allegations contained in this Complaint, Plaintiff is entitled to recovery of the transfer made to Defendant in accordance with 11 U.S.C. § 548.

23. Pursuant to 11 U.S.C. § 551, any transfer avoided under Section 548 is preserved for the benefit of the estate.

24. Accordingly, Plaintiff is not only entitled to a recovery of the avoided transfer under Section 548 of the Bankruptcy Code, but such transfer so avoided is preserved for the benefit of this Estate.

**THIRD CLAIM FOR RELIEF**

[Turnover of Property – 11 U.S.C. §542(a)]

25. Plaintiff incorporates by reference all of the allegations set forth in Paragraphs 1 through 24 above.

26. By virtue of the Defendant's ownership of the Property, he is in possession of equity in the Property available for distribution to creditors in this case.

27. The Defendant is in possession of the Property which the Trustee may use or sell under Section 363 of the Bankruptcy Code.

28. Based on the foregoing, the Defendant must account for and turn over the Property to the Trustee pursuant to 11 U.S.C. §542(a).

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**PRAYER**

**WHEREFORE**, Plaintiff prays for judgment as follows:

1. As to the First Claim for Relief, for a judgment against Defendant that the transfers of the Property is avoidable under 11 U.S.C. § 548;
2. As to the Second Claim for Relief, for a judgment for recovery and preservation under 11 U.S.C. §§550 and 551 as to all transfers avoided under 11 U.S.C. § 548;
3. As to the Third Claim for Relief, for a judgment for an accounting with respect to the Property and that the Property be turned over to the Plaintiff Trustee under 11 U.S.C. § 542(a);
4. As to all Claims for Relief, for costs of suit incurred herein, including, without limitation, attorneys' fees; and
5. As to all Claims for Relief, for such other and further relief as the Court deems just and proper.

DATE: February 3, 2020

**LAW OFFICE OF ROBERT M. ARONSON**

By: /s/Robert M. Aronson

Robert M. Aronson

Attorney for Chapter 7 Trustee Wesley H.  
Avery

**EXHIBIT “1”**  
(INITIAL DEED)

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**20160393070**



Pages:  
**0004**

Recorded/Filed in Official Records  
Recorder's Office, Los Angeles County,  
California

**04/08/16 AT 02:23PM**

FEES:	31.00
TAXES:	0.00
OTHER:	0.00
PAID:	31.00



LEADSHEET



201604080660020

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007481953

SEQ:  
**01**

DAR - Counter (Upfront Scan)



**THIS FORM IS NOT TO BE DUPLICATED**

**RECORDING REQUESTED BY:**

FRANCISCO MORAN

WHEN RECORDED MAIL TO:

FRANCISCO MORAN  
38705 16<sup>TH</sup> STREET EAST  
PALMDALE, CA 93550

SPACE ABOVE THIS LINE FOR RECORDER'S USE

**QUITCLAIM DEED**

The undersigned Grantor(s) declare(s):  
ASSESSOR'S PARCEL NO.: 3015-014-046

Documentary transfer tax is \$ None - See below  
( x ) computed on full value of property conveyed,

TITLE ORDER NO.:  
ESCROW NO.:

"THIS IS A BONAFIDE GIFT AND THE GRANTOR  
RECEIVED NOTHING IN RETURN, R & T 11911"

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,  
**JOEL HERNANDEZ A MARRIED MAN AS SOLE AND SEPARATE PROPERTY**

hereby remise, release and forever quitclaim to

**FRANCISCO MORAN A MARRIED MAN AS HIS SOLE AND SEPARATE PROPERTY**

the following real property in the City of PALMDALE County of LOS ANGELES, State of California:

described as: **See Exhibit A attached hereto thereof**

Commonly known as: 38705 16<sup>th</sup> Street East, Palmdale, CA 93550

Date: 3.31.16

Joel Hernandez  
Joel Hernandez

**STATE OF CALIFORNIA** )  
**COUNTY OF** )

On \_\_\_\_\_ before me, \_\_\_\_\_  
\_\_\_\_\_ a Notary Public in and for said State  
personally appeared \_\_\_\_\_

who proved to me on the basis of satisfactory evidence to be the  
person(s) whose name(s) is/are subscribed to the within instrument  
and acknowledged to me that he/she/they executed the same in  
his/her/their authorized capacity(ies), and that by his/her/their  
signature(s) on the instrument the person(s) or the entity upon  
behalf of which the person(s) acted, executed the instrument.  
I certify under PENALTY OF PERJURY under the laws of the State  
of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Signature Francisco Moran

Name (typed or printed)

(This area for official notary seal)

**MAIL TAX STATEMENTS TO ADDRESS ABOVE**



## ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of CALIFORNIA )

County of LOS ANGELES )

On MARCH 31, 2016 before me, LUIS A. CASTELLANOS, NOTARY PUBLIC  
(Here insert name and title of the officer)

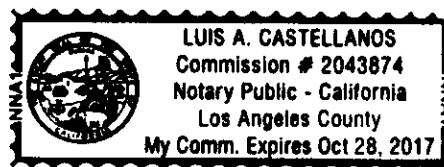
personally appeared, JOEL HERNANDEZ,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose  
name(s) is/are subscribed to the within instrument and acknowledged to me that  
he/she/they executed the same in his/her/their authorized capacity(ies), and that by  
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of  
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

(Seal)



### ADDITIONAL OPTIONAL INFORMATION

#### DESCRIPTION OF THE ATTACHED DOCUMENT

QUITCLAIM DEED

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages 1 Document Date 03/31/16

#### CAPACITY CLAIMED BY THE SIGNER

- ☒ Individual (s)  
☐ Corporate Officer

(Title)

- ☐ Partner(s)  
☐ Attorney-in-Fact  
☐ Trustee(s)  
☐ Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he/she/they~~, is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

**Exhibit "A"**  
**Legal Description**

(H)

ALL THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

**PARCEL 1:**

THE EAST 133 FEET OF THE NORTH HALF OF THE NORTH HALF OF PARCEL 17, IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS SHOWN ON LICENSED SURVEYORS MAP RECORDED IN BOOK 64, PAGE(S) 26 AND 27 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY

**PARCEL 2:**

AN EASEMENT FOR ROAD PURPOSES OVER THOSE CERTAIN PARCELS OF LAND DESIGNATED AS PRIVATE STREET ON THE MAP FILED IN BOOK 64 PAGES 26 AND 27 RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Tax ID: 3015-014-046

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**EXHIBIT “2”**  
**(QUITCLAIM)**

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**20190208592**



Pages:  
0004

Recorded/Filed in Official Records  
Recorder's Office, Los Angeles County,  
California

03/08/19 AT 08:00AM

FEES:	33.00
TAXES:	0.00
OTHER:	0.00
<hr/>	
PAID:	33.00



LEADSHEET



201903080110037

00016346846



009679023

SEQ:  
24

DAR - Title Company (Hard Copy)



THIS FORM IS NOT TO BE DUPLICATED

RECORDING REQUESTED BY

Francisco Moran

AND WHEN RECORDED MAIL DOCUMENT TO:

NAME Jacob Moran

STREET ADDRESS 38705 16th Street E

CITY, STATE & ZIP CODE Palmdale, CA 93550



SPACE ABOVE FOR RECORDER'S USE ONLY

## Quitclaim Deed

Title of Document

Pursuant to Senate Bill 2 – Building Homes and Jobs Act (GC Code Section 27388.1), effective January 1, 2018, a fee of seventy-five dollars (\$75.00) shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel of real property. The fee imposed by this section shall not exceed two hundred twenty-five dollars (\$225.00).

- ☐ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax (DTT).
- ☒ Exempt from fee per GC 27388.1 (a) (2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier.
- ☐ Exempt from fee per GC 27388.1 (a) (1); fee cap of \$225.00 reached.
- ☐ Exempt from the fee per GC 27388.1 (a) (1); not related to real property.

THIS COVER SHEET ADDED TO PROVIDE ADEQUATE SPACE FOR RECORDING INFORMATION  
(\$3.00 Additional Recording Fee Applies)

3

RECORDING REQUESTED BY  
Francisco Moran

MAIL TAX STATEMENTS AND  
WHEN RECORDED MAIL TO  
Jacob Moran  
38705 16<sup>th</sup> Street E  
Palmdale, CA 93550

Order No.:

Escrow No.:

APN: 3015-014-046

SPACE ABOVE THIS LINE IS FOR RECORDER'S USE

## QUITCLAIM DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

**"This is a bonafide gift and the grantor  
received nothing in return, R&T 11911."**

DOCUMENTARY TRANSFER TAX IS \$ 0.00

\_\_\_\_ Computed on full value of property conveyed, or

\_\_\_\_ Computed on full value less liens and encumbrances remaining at time of sale

\_\_\_\_ Unincorporated area ☒ City of **Palmdale**

For valuable consideration, receipt of which is hereby acknowledged,

**Francisco Moran, a married man as his sole and separate property**

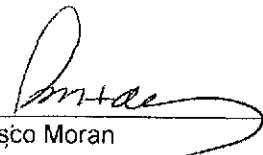
hereby REMISE(S), RELEASE(S) AND QUITCLAIM(S) to

**Jacob Moran, a single man**

the real property situated in the City of **Palmdale**, County of **Los Angeles**, State of California, more particularly described as follows:

See Exhibit "A" attached hereto and made a part hereof, more commonly known as: **38705 16<sup>th</sup> Street E, Palmdale, CA 93550**

Dated: 03-01-2019

  
Francisco Moran

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF

Los Angeles

) SS.

On March 1, 2019 before me,

Laura M. Viall

Notary Public, personally

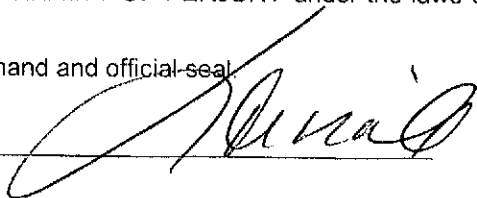
appeared Francisco Moran

who proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct

WITNESS my hand and official seal

Signature





MAIL TAX STATEMENTS AS DIRECTED ABOVE

24

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**Exhibit A**  
**Legal Description**

ALL THAT CERTAIN PARCEL OF LAND SITUATED IN THE CITY OF PALMDALE, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

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**APN: 3015-014-046**